European Commission

EU VAT rules for e-commerce, five years on: More than €125 billion in VAT revenue

New figures from Member States show that businesses are increasingly using the simplified VAT rules for cross-border e-commerce.

NEWS ARTICLE
3 September 2026 Directorate-General for Taxation and Customs Union 3 min read

New figures from Member States show that businesses continue to make increasing use of the simplified VAT rules for online sales. Five years after the EU's VAT e-commerce rules entered into force, the latest figures also show continued growth in VAT declared through the One Stop Shop (OSS) and Import One Stop Shop (IOSS) schemes.

The VAT e-commerce package, which entered into force on 1 July 2021, marked a major step in modernising the EU VAT framework. Since then, Member States have collected more than €125 billion in VAT revenue through the EU's VAT e-commerce schemes.

In 2025 alone, more than €38 billion in VAT revenue was collected, an increase of 17% compared with the previous year. The number of businesses using the EU's simplified VAT schemes has also continued to grow. By the end of 2025, more than 193,000 businesses have registered to account for VAT on online sales through the schemes, reflecting the continued uptake of the EU's VAT reforms, which help simplify VAT compliance, reduce red tape, and ensure VAT collection.

E-commerce VAT reform: Progress and future direction

With the continued rapid growth in e-commerce activity and an increasingly digital global marketplace, the EU's VAT rules for online transactions have continued to evolve to meet the needs of cross-border trade.

As we move into the next phase of reforms under the VAT in the Digital Age (ViDA) package, the EU is on track towards a fairer and more efficient VAT framework.

Following the adoption of the VAT in the Digital Age (ViDA) package in 2025, its phased implementation over the coming years is expected to build further on the success of the e-commerce VAT reforms. By expanding the scope of the OSS to cover more business-to-consumer transactions and introducing a new special scheme for the transfers of own goods, the ViDA package is likely to lead to even greater uptake of the OSS schemes, moving towards a single VAT registration in the EU.

More information

Through a single registration in one Member State, the One Stop Shop (OSS) and Import One Stop Shop (IOSS) schemes allow businesses to declare and remit VAT for cross-border sales of goods and services within the EU, as well as for imports of low-value goods.

This report is the latest in a series of annual reports on the application of the e-commerce package and is based on 2025 statistics from Member States. It sets out details of the total number of registrations in all three One-Stop Shop (OSS) schemes, namely, the Union OSS, the non-Union OSS and the Import OSS, as of 31 December 2025. It also provides details on the total amount of VAT declared in each of these schemes in 2025. In addition, it describes how these registrations and declaration figures have evolved since the introduction of the VAT e-commerce rules in July 2021.

- Read the 2025 Report on the Application of the EU's VAT E-Commerce Package
- VAT for e-commerce
- VAT in the Digital Age

Publication date	3 September 2026
Author	Directorate-General for Taxation and Customs Union